

2009 DRAFTING REQUEST

Bill

Received: **09/16/2008**

Received By: **pkahler**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget 6-2288**

By/Representing: **Grimsrud**

This file may be shown to any legislator: **NO**

Drafter: **gmalaise**

May Contact:

Addl. Drafters:

Subject: **Public Assistance - misc
Children - out-of-home placement**

Extra Copies:

Submit via email: **NO**

Pre Topic:

DOA:.....Grimsrud, BB0031 -

Topic:

Mandatory federal child support distribution change

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pkahler 09/16/2008 gmalaise 09/18/2008	bkraft 09/29/2008		_____			State
/1			phenry 09/29/2008	_____	sbasford 09/29/2008		State
/2	gmalaise 12/03/2008	bkraft 12/03/2008	phenry 12/04/2008	_____	sbasford 12/04/2008		State
/3	gmalaise 01/30/2009	bkraft 01/30/2009	jfrantze 01/30/2009	_____	mbarman 01/30/2009		

FE Sent For:

<END>

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PJK

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/1			phenry 09/29/2008	_____ _____	sbasford 09/29/2008		State
/2	gmalaise 12/03/2008	bkraft 12/03/2008	phenry 12/04/2008	_____ _____	sbasford 12/04/2008		

FE Sent For:

13 bjk 1/30

9/30
1/30
<END>

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Drafter: gmalaise

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/1	1/2 bjk 12/3	phenry 09/29/2008			sbasford 09/29/2008		

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By/Representing: Grimsrud

This file may be shown to any legislator: NO

Drafter: gmalaise

May Contact:

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/?	pkahler 09/16/2008 gmalaise 09/18/2008	lrb_editor /1 bjk 9/25	g ph	g b ph			State

FE Sent For:

<END>

2009-11 Budget Bill Statutory Language Drafting Request

- Topic: Mandatory Federal Child Support Distribution Change
- Tracking Code: BB00031
- SBO team: Education, Children & Families
- SBO analyst: Sarah Grimsrud
 - Phone: 266-2288
 - Email: Sarah.Grimsrud@Wisconsin.gov
- Agency acronym: DCF
- Agency number: 437
- Priority (Low, Medium, High): High

Intent:

Currently, as a condition of receiving benefits under the federal Temporary Assistance for Needy Families block-grant program, recipients of TANF cash assistance assign their rights to child support. All arrears that accrued prior to the receipt of TANF assistance, as well as any child support paid and arrears that accrue during assistance, are assigned to the state to reimburse the state and federal government for benefits paid to the recipient. These are referred to as "assigned" support collections.

Under the federal Deficit Reduction Act (DRA) of 2005, states may not assign pre-assistance arrears in new TANF cases effective October 1, 2009. States are also given the option to release the assignment of certain "temporarily assigned" and "conditionally assigned" pre-assistance balances when the mandatory change is implemented for new TANF families in October 1, 2009. This draft would modify relevant state laws to accomplish compliance with the DRA requirements, as well as to implement the option to release the assignment on pre-assistance TANF arrears in all current or former-TANF cases.

2009 DRAFTING REQUEST

Bill

Received: **09/16/2008**

Received By: **pkahler**

Wanted: **As time permits**

Identical to LRB:

For: **Children and Families**

By/Representing: **Bob Nikolay**

This file may be shown to any legislator: **NO**

Drafter: **gmalaise**

May Contact:

Addl. Drafters:

Subject: **Public Assistance - misc
Children - out-of-home placement**

Extra Copies:

Submit via email: **YES**

Requester's email: **Robert.Nikolay@wisconsin.gov**

Carbon copy (CC:) to:

PNJK

Pre Topic:

No specific pre topic given

Topic:

Mandatory federal child support distribution change

Instructions:

See attached

Drafting History:

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/?	pkahler						
	09/16/2008						
	gmalaise						

FE Sent For:

<END>

Malaise, Gordon

From: Hanaman, Cathlene
Sent: Tuesday, September 16, 2008 8:58 AM
To: Malaise, Gordon; Kahler, Pam; Ryan, Robin; Dodge, Tamara
Subject: FW: DCF 2009-11 Statutory Language Requests

Attachments: BB 09-11CCQuality%StatutoryModifications.doc; BB 09-11 AFDC Payment approp. Stat.doc; BB 09-11 Child Support Distribution. Stat.doc; BB 09-11 Dept. Appr. Restruct. Stat. doc.doc; BB 09-11 EA Statutory Modifications.doc; BB 09-11 Fraud Collections stat2.doc; BB 09-11 Subsidized Guardianship.doc; BB 09-11 TANF CC Allocations.doc

Gordon, Pam, Robin, and Tami:

I did not open any of these so I have no idea if I should have expanded my list of email recipients. Feel free to forward to others or tell me to do so.

If you prefer, I can print them if that makes it easier for you to claim. Let me know if you don't like this e-mail forward method.

-C

From: Nikolay, Robert A - DCF [<mailto:Robert.Nikolay@wisconsin.gov>]
Sent: Tuesday, September 16, 2008 7:38 AM
To: Hanaman, Cathlene
Subject: DCF 2009-11 Statutory Language Requests

Attached are the Department of Children and Families' statutory language requests for the 2009-11 biennial budget. We will work with DOA on reviewing the drafts as they are produced.



BB



BB 09-11 AFDC



BB 09-11 Child



BB 09-11 Dept.



BB 09-11 EA



BB 09-11 Fraud



BB 09-11 Subsidized

CCQuality%StatutoryPayment approp. ... Support Distrib... Appr. Restruct... Statutory Modifica... Collections sta... Guardiansh...



BB 09-11 TANF CC
Allocations.d...

Statutory Modifications

Department of Children and Families 2009-11 Biennial Budget

DIN: 5400

Topic: Mandatory Federal Child Support Distribution Change

Description of Change:

Currently, as a condition of receiving benefits under the federal Temporary Assistance for Needy Families block-grant program, recipients of TANF cash assistance assign their rights to child support. All arrears that accrued prior to the receipt of TANF assistance, as well as any child support paid and arrears that accrue during assistance, are assigned to the state to reimburse the state and federal government for benefits paid to the recipient. These are referred to as "assigned" support collections.

Under the federal Deficit Reduction Act (DRA) of 2005, states may not assign pre-assistance arrears in new TANF cases effective October 1, 2009. States are also given the option to release the assignment of certain "temporarily assigned" and "conditionally assigned" pre-assistance balances when the mandatory change is implemented for new TANF families in October 1, 2009. This draft would modify relevant state laws to accomplish compliance with the DRA requirements, as well as to implement the option to release the assignment on pre-assistance TANF arrears in all current or former-TANF cases.

Requested Change:

The Wisconsin cash-assistance TANF programs include Wisconsin Works (W-2), Caretaker Supplement (CTS), and Kinship Care. Implement the federally mandated distribution change and release all pre-assistance arrearages associated with W-2, CTS, and Kinship Care cases. A federal policy memo that includes some references to the federal law can be found at the following web address.

Justification:

The Deficit Reduction Act of 2005 requires states to amend their state statutes to reflect a new "On/Off" assignment policy. Arrears that accrued prior to the receipt of TANF cash assistance are no longer assignable to the state, but will, if collected, go to the TANF recipient. Only arrears that accrue during assistance are assignable. This change applies **ONLY** to new TANF families, effective October 1, 2009.

Although the assignment of child-support arrearages that accrued prior to TANF assistance increases the amount of assigned support collections available to States to offset TANF benefits, the policy has been viewed as inequitable to families, owed support they have not received, who then must turn to TANF benefits. In Wisconsin, the State passes through to

the families the state share (approximately 42%) of assigned support collected in W-2 and CTS cases, including pre-assistance arrearages. However, it does not pass through to the families the state share of Kinship Care arrearages. Instead, the state share is retained and used within the TANF budget for programs that count as TANF Maintenance-of-Effort (MOE), such as Children First, and Child Care subsidies, enabling the State to receive the full TANF award used for Kinship Care and CTS benefits.

Full implementation of the federal assignment policy change, including the release of pre-TANF assignments, will reduce the state share of assigned collections from Kinship Care cases by approximately \$107,800 annually, which reduces the amount of revenue under current law for expenditure as TANF MOE. There is no impact on DCF MOE revenues from the W-2 and CTS cases, because the amounts are already passed through. There may be some loss of ability to count W-2 pass-through amounts as TANF MOE, but this is thought to be manageable given the October 1, 2009 (FFY 10) effective date. The department recommends releasing the arrearage balances because only a small percentage of the balance outstanding is collectable in a given year and releasing the balances will simplify programming changes required in the Kids Information Data System (KIDS). In addition, the department's support distribution policies will be more explainable to families if arrearages for all assistance cases are treated the same, as opposed to maintaining different policies based on whether one started receiving TANF assistance on or after October 1, 2009.

Desired Effective Date: October 1, 2009



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-0238/8

GMM.....

Agency Budget Draft

g l bjk

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

→ D Note

*SA ✓
x-ref ✓*

*do not
gen. cot.*

1 AN ACT ...; relating to: the budget. ✓

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES ✓

CHILDREN ✓

Under current law, when a person applies for or receives kinship care or long-term kinship care payments or foster care aid for the care of a child, any right of the child or of the child's parent to support or maintenance from any other person, including any right to unpaid amounts accrued at the time of application for those payments or that aid (pre-assistance arrears), is assigned to the state. ✓ This bill, beginning on October 1, 2009, eliminates assignment to the state of any right of a child or parent to pre-assistance arrears. Accordingly, under the bill, the only right to support or maintenance that is assigned to the state is the right to support or maintenance accruing during the time that those payments are made or that aid is paid. ✓ The bill also provides that any right to pre-assistance arrears assigned to the state before October 1, 2009, shall be released to the person who assigned that right to the state. ✓

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

X
SECTION 1. 48.57 (3m) (b) 2. of the statutes is amended to read:

✓ 48.57 (3m) (b) 2. When any kinship care relative of a child applies for or receives payments under this subsection, any right of the child or the child's parent to support or maintenance from any other person, including any right to unpaid amounts accrued at the time of application and any right to amounts accruing during the time that payments are made under this subsection, is assigned to the state. If a child who is the beneficiary of a payment under this subsection is also the beneficiary of support under a judgment or order that includes support for one or more children who are not the beneficiaries of payments under this subsection, any support payment made under the judgment or order is assigned to the state in the amount that is the proportionate share of the child who is the beneficiary of the payment made under this subsection, except as otherwise ordered by the court on the motion of a party.

History: 1977 c. 29; 1977 c. 83 s. 26; 1977 c. 271, 354, 418, 447, 449; 1979 c. 34, 221; 1981 c. 329; 1983 a. 189 s. 329 (17); 1983 a. 447; 1985 a. 176; 1987 a. 339; 1993 a. 385, 395, 446, 491; 1995 a. 27 ss. 2575 to 2579m, 9126 (19); 1995 a. 77, 289, 443; 1997 a. 3, 27, 35, 36, 41, 105, 237, 252, 292; 1999 a. 9, 103, 133, 162; 2001 a. 16 ss. 1629, 4036-4038, 4040, 4042, 4043; 2001 a. 38, 59, 69, 109; 2005 a. 25, 232, 293; 2007 a. 20.

SECTION 2. 48.57 (3n) (b) 2. of the statutes is amended to read:

✓ 48.57 (3n) (b) 2. When any long-term kinship care relative of a child applies for or receives payments under this subsection, any right of the child or the child's parent to support or maintenance from any other person, including any right to unpaid amounts accrued at the time of application and any right to amounts accruing during the time that payments are made under this subsection, is assigned to the state. If a child is the beneficiary of support under a judgment or order that includes support for one or more children who are not the beneficiaries of payments under this subsection, any support payment made under the judgment or order is assigned to the state in the amount that is the proportionate share of the child who is the

1 beneficiary of the payment made under this subsection, except as otherwise ordered
2 by the court on the motion of a party.

History: 1977 c. 29; 1977 c. 83 s. 26; 1977 c. 271, 354, 418, 447, 449; 1979 c. 34, 221; 1981 c. 329; 1983 a. 189 s. 329 (17); 1983 a. 447; 1985 a. 176; 1987 a. 339; 1993 a. 385, 395, 446, 491; 1995 a. 27 ss. 2575 to 2579m, 2126 (19); 1995 a. 77, 289, 443; 1997 a. 3, 27, 35, 36, 41, 105, 237, 252, 292; 1999 a. 9, 103, 133, 162; 2001 a. 16 ss. 1629, 4036-4038, 4040, 4042, 4043; 2001 a. 38, 59, 69, 109; 2005 a. 25, 232, 293; 2007 a. 20.

3 **SECTION 3. 48.645 (3)** of the statutes is amended to read:

4 **48.645 (3) ASSIGNMENT OF SUPPORT.** When any person applies for or receives aid
5 under this section, any right of the parent or any dependent child to support or
6 maintenance from any other person, ~~including any right to unpaid amounts accrued~~
7 ~~at the time of application and any right to amounts~~ accruing during the time aid is
8 paid under this section, is assigned to the state. If a minor who is a beneficiary of
9 aid under this section is also the beneficiary of support under a judgment or order
10 that includes support for one or more children not receiving aid under this section,
11 any support payment made under the judgment or order is assigned to the state in
12 the amount that is the proportionate share of the minor receiving aid under this
13 section, except as otherwise ordered by the court on the motion of a party.

History: 2007 a. 20 ss. 894 to 903; Stats. 2007 s. 48.645; 2007 a. 97 s. 61.

14 **SECTION 4. 49.145 (2) (s)** of the statutes is amended to read:

15 **49.145 (2) (s)** The individual assigns to the state any right of the individual or
16 of any dependent child of the individual to support or maintenance from any other
17 person, ~~including any right to amounts~~ accruing during the time that any Wisconsin
18 Works benefit is paid to the individual. If a minor who is a beneficiary of any
19 Wisconsin Works benefit is also the beneficiary of support under a judgment or order
20 that includes support for one or more children not receiving a benefit under
21 Wisconsin Works, any support payment made under the judgment or order is
22 assigned to the state during the period that the minor is a beneficiary of the
23 Wisconsin Works benefit in the amount that is the proportionate share of the minor

1 receiving the benefit under Wisconsin Works, except as otherwise ordered by the
2 court on the motion of a party. Amounts assigned to the state under this paragraph
3 remain assigned to the state until the amount due to the federal government has
4 been recovered. No amount of support that begins to accrue after the individual
5 ceases to receive benefits under Wisconsin Works may be considered assigned to this
6 state. Except as provided in s. 49.1455, any money that is received by the department
7 in a month under an assignment to the state under this paragraph for an individual
8 applying for or participating in Wisconsin Works and that is not the federal share of
9 support shall be paid to the individual applying for or participating in Wisconsin
10 Works. The department shall pay the federal share of support assigned under this
11 paragraph as required under federal law or waiver.

History: 1995 a. 289; 1997 a. 27, 191, 237, 283; 1999 a. 9; 2001 a. 16; 2005 a. 25.

12 **SECTION 5. 49.775 (2) (bm) of the statutes is amended to read:**

13 **49.775 (2) (bm)** The custodial parent assigns to the state any right of the
14 custodial parent or of the dependent child to support from any other person accruing
15 during the time that any payment under this subsection is made to the custodial
16 parent. No amount of support that begins to accrue after the individual ceases to
17 receive payments under this section may be considered assigned to the state. Any
18 money that is received by the department of children and families under an
19 assignment to the state under this paragraph and that is not the federal share of
20 support shall be paid to the custodial parent. The department of children and
21 families shall pay the federal share of support assigned under this paragraph as
22 required under federal law or waiver.

History: 1997 a. 27, 237; 1999 a. 9; 2005 a. 25; 2007 a. 20.

23 **SECTION 9108. Nonstatutory provisions; Children and Families.**

auto #
1 (1) RELEASE OF SUPPORT ASSIGNMENTS. Any right to unpaid amounts of support
2 or maintenance accrued at the time of application for kinship care payments,
3 long-term kinship care payments, foster care aid, Wisconsin Works benefits, or
4 caretaker supplement payments that is assigned to the state under section 48.57
5 (3m) (b) 2., 2007 stats., or (3n) (b) 2., 2007 stats., 48.645 (3), 2007 stats., 49.145 (2)
6 (s), 2007 stats., or 49.775 (2) (bm), 2007 stats., shall be released to the person who
7 assigned that right to the state.

8 **SECTION 9408. Effective dates; Children and Families.**

9 (1) ASSIGNMENT OF SUPPORT. The treatment of sections 48.57 (3m) (b) 2. and (3n)
10 (b) 2., 48.645 (3), 49.145 (2) (s), and 49.775 (2) (bm) of the statutes and SECTION
11 9108(1) of this act take effect on October 1, 2009, or on the day after publication,
12 whichever is later. e takes

13 (END)

D-note

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

Date

LRB-0238/Edn

GMM.....

1 dn

bjk

please
change

Sarah

Bob:

Section 48.645 (3) relating to foster care aid also assigns pre-assistance arrears to the state. Accordingly, to maintain consistency in DCF's child support distribution policies, this draft deletes assignment of those arrears in s. 48.645 (3) as well as in s. 48.57 (3m) and (3n).

Gordon M. Malaise
Senior Legislative Attorney
Phone: (608) 266-9738
E-mail: gordon.malaise@legis.wisconsin.gov

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0238/1dn
GMM:bjk:ph

September 29, 2008

Sarah:

Section 48.645 (3) relating to foster care aid also assigns pre-assistance arrears to the state. Accordingly, to maintain consistency in DCF's child support distribution policies, this draft deletes assignment of those arrears in s. 48.645 (3) as well as in s. 48.57 (3m) and (3n).

Gordon M. Malaise
Senior Legislative Attorney
Phone: (608) 266-9738
E-mail: gordon.malaise@legis.wisconsin.gov

Malaise, Gordon

From: Grimsrud, Sarah - DOA [Sarah.Grimsrud@wisconsin.gov]
Sent: Tuesday, December 02, 2008 4:51 PM
To: Malaise, Gordon
Subject: LRB-0238/1

Hi Gordon,

In reviewing this statutory language draft, I consulted with DCF staff to find out if the draft meets their needs. I believe we are close to a final draft for the budget bill, but a couple of things need to be addressed:

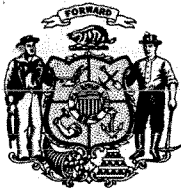
- Please delete Section 3 that references assignment of foster care pre-assistance arrears as well as the any reference to foster care aid or s.48.645(3) in Section 9108 and 9408. I have included the question and answer section of an Action Transmittal from the Administration for Children and Families that addresses this issue. "QUESTION 30: Are there any changes to section 457 of the Act in the DRA that would affect the distribution rules for title IV-E Foster Care case collections under section 457(e) of the Act and 45 CFR 302.52? ANSWER 30: No. There are no changes contained in the DRA affecting the distribution of child support collections for IV-E Foster Care cases. Distribution for IV-E Foster Care cases is governed by section 457(e) of the Act and 45 CFR 302.52. See also guidance contained under question and answers 16 through 19 in OCSE-AT-98-24." If you have any more questions about this issue, this is a link to the AT: <http://www.acf.hhs.gov/programs/cse/pol/AT/2007/at-07-05a.doc>
- On line 16 of page 3 (part of Section 4), I am not sure how to accomplish this change, but would it be possible to insert "cash assistance" in between the first two words of the line ("Works" and "benefit")? 45CFR260.31 defines cash assistance. There are instances, for example emergency assistance, in which the participant receives a benefit which is not assigned. Emergency assistance is not considered cash assistance.

Please let me know if you have any questions/concerns about the requests above. Thanks for your time!

Sarah

Sarah E. Grimsrud
Executive Policy & Budget Analyst
State Budget Office
Division of Executive Budget & Finance
Wisconsin Department of Administration
(608) 266-2288

12/02/2008



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-0238/L

GMM:bjk:ph

Stacy
18MR

DOA:.....Grimsrud, BB0031 - Mandatory federal child support distribution change

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

SA ✓

do not gen.

1 AN ACT ...; relating to: the budget. ✓

Analysis by the Legislative Reference Bureau
HEALTH AND HUMAN SERVICES

CHILDREN

7

Under current law, when a person applies for or receives kinship care or long-term kinship care payments ~~or foster care aid~~ for the care of a child, any right of the child or of the child's parent to support or maintenance from any other person, including any right to unpaid amounts accrued at the time of application for those payments or that aid (pre-assistance arrears), is assigned to the state. This bill, beginning on October 1, 2009, eliminates assignment to the state of any right of a child or parent to pre-assistance arrears. Accordingly, under the bill, the only right to support or maintenance that is assigned to the state is the right to support or maintenance accruing during the time that those payments are made or that aid is paid. The bill also provides that any right to pre-assistance arrears assigned to the state before October 1, 2009, shall be released to the person who assigned that right to the state.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 48.57 (3m) (b) 2. of the statutes is amended to read:

2 48.57 **(3m)** (b) 2. When any kinship care relative of a child applies for or
3 receives payments under this subsection, any right of the child or the child's parent
4 to support or maintenance from any other person, ~~including any right to unpaid~~
5 ~~amounts accrued at the time of application and any right to amounts accruing during~~
6 the time that payments are made under this subsection, is assigned to the state. If
7 a child who is the beneficiary of a payment under this subsection is also the
8 beneficiary of support under a judgment or order that includes support for one or
9 more children who are not the beneficiaries of payments under this subsection, any
10 support payment made under the judgment or order is assigned to the state in the
11 amount that is the proportionate share of the child who is the beneficiary of the
12 payment made under this subsection, except as otherwise ordered by the court on the
13 motion of a party.

14 **SECTION 2.** 48.57 (3n) (b) 2. of the statutes is amended to read:

15 48.57 **(3n)** (b) 2. When any long-term kinship care relative of a child applies
16 for or receives payments under this subsection, any right of the child or the child's
17 parent to support or maintenance from any other person, ~~including any right to~~
18 ~~unpaid amounts accrued at the time of application and any right to amounts accruing~~
19 during the time that payments are made under this subsection, is assigned to the
20 state. If a child is the beneficiary of support under a judgment or order that includes
21 support for one or more children who are not the beneficiaries of payments under this
22 subsection, any support payment made under the judgment or order is assigned to
23 the state in the amount that is the proportionate share of the child who is the
24 beneficiary of the payment made under this subsection, except as otherwise ordered
25 by the court on the motion of a party.

assistance as defined in 45 CFR 260.31 under

SECTION 3. 48.645 (3) of the statutes is amended to read:

48.645 (3) ASSIGNMENT OF SUPPORT. When any person applies for or receives aid under this section, any right of the parent or any dependent child to support or maintenance from any other person, including any right to unpaid amounts accrued at the time of application and any right to amounts accruing during the time aid is paid under this section, is assigned to the state. If a minor who is a beneficiary of aid under this section is also the beneficiary of support under a judgment or order that includes support for one or more children not receiving aid under this section, any support payment made under the judgment or order is assigned to the state in the amount that is the proportionate share of the minor receiving aid under this section, except as otherwise ordered by the court on the motion of a party.

SECTION 4. 49.145 (2) (s) of the statutes is amended to read:

49.145 (2) (s) The individual assigns to the state any right of the individual or of any dependent child of the individual to support or maintenance from any other person, including any right to amounts accruing during the time that any Wisconsin

Works benefit is paid to the individual. If a minor who is a beneficiary of any

Wisconsin Works benefit is also the beneficiary of support under a judgment or order

that includes support for one or more children not receiving a benefit under

Wisconsin Works, any support payment made under the judgment or order is

assigned to the state during the period that the minor is a beneficiary of the

Wisconsin Works benefit in the amount that is the proportionate share of the minor

receiving the benefit under Wisconsin Works, except as otherwise ordered by the

court on the motion of a party. Amounts assigned to the state under this paragraph

remain assigned to the state until the amount due to the federal government has

been recovered. No amount of support that begins to accrue after the individual

① ceases to receive benefits under Wisconsin Works may be considered assigned to this
② state. Except as provided in s. 49.1455, any money that is received by the department
3 in a month under an assignment to the state under this paragraph for an individual
4 applying for or participating in Wisconsin Works and that is not the federal share of
5 support shall be paid to the individual applying for or participating in Wisconsin
6 Works. The department shall pay the federal share of support assigned under this
7 paragraph as required under federal law or waiver.

8 **SECTION 5.** 49.775 (2) (bm) of the statutes is amended to read:

9 49.775 (2) (bm) The custodial parent assigns to the state any right of the
10 custodial parent or of the dependent child to support from any other person accruing
11 during the time that any payment under this subsection is made to the custodial
12 parent. No amount of support that begins to accrue after the individual ceases to
13 receive payments under this section may be considered assigned to the state. Any
14 money that is received by the department of children and families under an
15 assignment to the state under this paragraph and that is not the federal share of
16 support shall be paid to the custodial parent. The department of children and
17 families shall pay the federal share of support assigned under this paragraph as
18 required under federal law or waiver.

19 **SECTION 9108. Nonstatutory provisions; Children and Families.**

20 (1) RELEASE OF SUPPORT ASSIGNMENTS. Any right to unpaid amounts of support
21 or maintenance accrued at the time of application for kinship care payments,
②② long-term kinship care payments, ~~foster care aid~~, Wisconsin Works benefits, or
23 caretaker supplement payments that is assigned to the state under section 48.57
②④ (3m) (b) 2., 2007 stats., or (3n) (b) 2., 2007 stats., ~~48.645 (3), 2007 stats.~~, 49.145 (2)

1 (s), 2007 stats., or 49.775 (2) (bm), 2007 stats., shall be released to the person who
2 assigned that right to the state.

3 **SECTION 9408. Effective dates; Children and Families.**

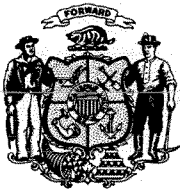
4 (1) ASSIGNMENT OF SUPPORT. The treatment of sections 48.57 (3m) (b) 2. and (3n)

5 (b) 2., ~~48.645 (3)~~ 49.145 (2) (s), and 49.775 (2) (bm) of the statutes and SECTION 9108

6 (1) of this act takes effect on October 1, 2009, or on the day after publication,

7 whichever is later. *take*

8 (END)



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-0238/2

GMM:bjk:ph

NOTE

3
L stays

DOA:.....Grimsrud, BB0031 - Mandatory federal child support distribution change

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

SAV

do not gen.

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

CHILDREN

Under current law, when a person applies for or receives kinship care or long-term kinship care payments for the care of a child, any right of the child or of the child's parent to support or maintenance from any other person, including any right to unpaid amounts accrued at the time of application for those payments or that aid (pre-assistance arrears), is assigned to the state. This bill, beginning on October 1, 2009, eliminates assignment to the state of any right of a child or parent to pre-assistance arrears. Accordingly, under the bill, the only right to support or maintenance that is assigned to the state is the right to support or maintenance accruing during the time that those payments are made or that aid is paid. The bill also provides that any right to pre-assistance arrears assigned to the state before October 1, 2009, shall be released to the person who assigned that right to the state.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

✓
1 **SECTION 1.** 48.57 (3m) (b) 2. of the statutes is amended to read:

2 48.57 **(3m)** (b) 2. When any kinship care relative of a child applies for or
3 receives payments under this subsection, any right of the child or the child's parent
4 to support or maintenance from any other person, ~~including any right to unpaid~~
5 ~~amounts accrued at the time of application and any right to amounts accruing during~~
6 the time that payments are made under this subsection, is assigned to the state. If
7 a child who is the beneficiary of a payment under this subsection is also the
8 beneficiary of support under a judgment or order that includes support for one or
9 more children who are not the beneficiaries of payments under this subsection, any
10 support payment made under the judgment or order is assigned to the state in the
11 amount that is the proportionate share of the child who is the beneficiary of the
12 payment made under this subsection, except as otherwise ordered by the court on the
13 motion of a party.

✓
14 **SECTION 2.** 48.57 (3n) (b) 2. of the statutes is amended to read:

15 48.57 **(3n)** (b) 2. When any long-term kinship care relative of a child applies
16 for or receives payments under this subsection, any right of the child or the child's
17 parent to support or maintenance from any other person, ~~including any right to~~
18 ~~unpaid amounts accrued at the time of application and any right to amounts accruing~~
19 during the time that payments are made under this subsection, is assigned to the
20 state. If a child is the beneficiary of support under a judgment or order that includes
21 support for one or more children who are not the beneficiaries of payments under this
22 subsection, any support payment made under the judgment or order is assigned to
23 the state in the amount that is the proportionate share of the child who is the
24 beneficiary of the payment made under this subsection, except as otherwise ordered
25 by the court on the motion of a party.

As affected by 2009 Wisconsin Act 111 (this act)

*auto-ref A
p. 4, line 18*

1

SECTION 3. 49.145 (2) (s) of the statutes is amended to read:

2

49.145 (2) (s) The individual assigns to the state any right of the individual or

3

of any dependent child of the individual to support or maintenance from any other

4

person, ~~including any right to amounts~~ accruing during the time that any assistance,

5

as defined in 45 CFR 260.31, under Wisconsin Works benefit is paid to the individual.

6

If a minor who is a beneficiary of any assistance under Wisconsin Works benefit is

7

also the beneficiary of support under a judgment or order that includes support for

8

one or more children not receiving ~~a benefit under Wisconsin Works~~ that assistance,

9

any support payment made under the judgment or order is assigned to the state

10

during the period that the minor is a beneficiary of ~~the Wisconsin Works benefit~~ that

11

assistance in the amount that is the proportionate share of the minor receiving the

12

~~benefit under Wisconsin Works~~ assistance, except as otherwise ordered by the court

13

on the motion of a party. Amounts assigned to the state under this paragraph remain

14

assigned to the state until the amount due to the federal government has been

15

recovered. No amount of support that begins to accrue after the individual ceases

16

to receive ~~benefits~~ assistance under Wisconsin Works may be considered assigned to

17

this state. Except as provided in s. 49.1455, ~~any money that is~~ received by the

18

department in a month under an assignment to the state under this paragraph for

19

an individual applying for or participating in Wisconsin Works ~~and that is not the~~

20

~~federal share of support~~ shall be paid to the individual applying for or participating

21

in Wisconsin Works. The department shall pay the federal share of support assigned

22

under this paragraph as required under federal law or waiver.

75 percent of all money money

23

(1) as affected by 2009 Wisconsin Act 111 (this act)
SECTION 4. 49.775 (2) (bm) of the statutes is amended to read:

24

auto-ref B, p. 4, line 18

49.775 (2) (bm) The custodial parent assigns to the state any right of the

25

custodial parent or of the dependent child to support from any other person accruing

XXXXX NOTE: This is recommended by 49.145(2)(s). This section has been affected by drafts with the following LRB-1377/10 LRB-0238/2 and numbers

Seventy-five percent of all

during the time that any payment under this subsection is made to the custodial parent. No amount of support that begins to accrue after the individual ceases to receive payments under this section may be considered assigned to the state. Any money that is received by the department of children and families under an assignment to the state under this paragraph ~~and that is not the federal share of~~ support shall be paid to the custodial parent. The department of children and families shall pay the federal share of support assigned under this paragraph as required under federal law or waiver.

SECTION 9108. Nonstatutory provisions; Children and Families.

(1) RELEASE OF SUPPORT ASSIGNMENTS. Any right to unpaid amounts of support or maintenance accrued at the time of application for kinship care payments, long-term kinship care payments, Wisconsin Works benefits, or caretaker supplement payments that is assigned to the state under section 48.57 (3m) (b) 2., 2007 stats., or (3n) (b) 2., 2007 stats., 49.145 (2) (s), 2007 stats., or 49.775 (2) (bm), 2007 stats., shall be released to the person who assigned that right to the state.

SECTION 9408. Effective dates; Children and Families.

(1) ASSIGNMENT OF SUPPORT. The treatment of sections 48.57 (3m) (b) 2. and (3n) (b) 2., 49.145 (2) (s) and 49.775 (2) (bm) of the statutes and SECTION 9108 (1) of this act take effect on October 1, 2009, or on the day after publication, whichever is later.

(END)

XXXX NOTE This is reconciled to 49.775 (2) (bm). This section has been affected by drafts with the following LRB numbers: LRB-0238/2 and LRB-1377/10.

NOTE

This draft reconciles LRB-0238/2 and LRB-1377/10. Both LRB-0238 and LRB-1377 should continue to appear in the compiled bill. GMM

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0238/3dn

GMM:bjk:jf

January 30, 2009

This draft reconciles LRB-0238/2 and LRB-1377/1. Both LRB-0238 and LRB-1377 should continue to appear in the compiled bill.

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DOA:.....Grimsrud, BB0031 - Mandatory federal child support distribution change

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

CHILDREN

Under current law, when a person applies for or receives kinship care or long-term kinship care payments for the care of a child, any right of the child or of the child's parent to support or maintenance from any other person, including any right to unpaid amounts accrued at the time of application for those payments or that aid (pre-assistance arrears), is assigned to the state. This bill, beginning on October 1, 2009, eliminates assignment to the state of any right of a child or parent to pre-assistance arrears. Accordingly, under the bill, the only right to support or maintenance that is assigned to the state is the right to support or maintenance accruing during the time that those payments are made or that aid is paid. The bill also provides that any right to pre-assistance arrears assigned to the state before October 1, 2009, shall be released to the person who assigned that right to the state.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 48.57 (3m) (b) 2. of the statutes is amended to read:

2 **48.57 (3m)** (b) 2. When any kinship care relative of a child applies for or
3 receives payments under this subsection, any right of the child or the child's parent
4 to support or maintenance from any other person, ~~including any right to unpaid~~
5 ~~amounts accrued at the time of application and any right to amounts accruing during~~
6 the time that payments are made under this subsection, is assigned to the state. If
7 a child who is the beneficiary of a payment under this subsection is also the
8 beneficiary of support under a judgment or order that includes support for one or
9 more children who are not the beneficiaries of payments under this subsection, any
10 support payment made under the judgment or order is assigned to the state in the
11 amount that is the proportionate share of the child who is the beneficiary of the
12 payment made under this subsection, except as otherwise ordered by the court on the
13 motion of a party.

14 **SECTION 2.** 48.57 (3n) (b) 2. of the statutes is amended to read:

15 **48.57 (3n)** (b) 2. When any long-term kinship care relative of a child applies
16 for or receives payments under this subsection, any right of the child or the child's
17 parent to support or maintenance from any other person, ~~including any right to~~
18 ~~unpaid amounts accrued at the time of application and any right to amounts accruing~~
19 during the time that payments are made under this subsection, is assigned to the
20 state. If a child is the beneficiary of support under a judgment or order that includes
21 support for one or more children who are not the beneficiaries of payments under this
22 subsection, any support payment made under the judgment or order is assigned to
23 the state in the amount that is the proportionate share of the child who is the
24 beneficiary of the payment made under this subsection, except as otherwise ordered
25 by the court on the motion of a party.

1 **SECTION 3.** 49.145 (2) (s) of the statutes, as affected by 2009 Wisconsin Act (...
2 this act), is amended to read:

3 49.145 (2) (s) The individual assigns to the state any right of the individual or
4 of any dependent child of the individual to support or maintenance from any other
5 person, ~~including any right to amounts~~ accruing during the time that any assistance,
6 as defined in 45 CFR 260.31, under Wisconsin Works benefit is paid to the individual.

7 If a minor who is a beneficiary of any assistance under Wisconsin Works benefit is
8 also the beneficiary of support under a judgment or order that includes support for
9 one or more children not receiving ~~a benefit under Wisconsin Works~~ that assistance,
10 any support payment made under the judgment or order is assigned to the state
11 during the period that the minor is a beneficiary of the ~~Wisconsin Works benefit~~ that
12 assistance in the amount that is the proportionate share of the minor receiving the
13 ~~benefit under Wisconsin Works~~ assistance, except as otherwise ordered by the court
14 on the motion of a party. Amounts assigned to the state under this paragraph remain
15 assigned to the state until the amount due to the federal government has been
16 recovered. No amount of support that begins to accrue after the individual ceases
17 to receive ~~benefits~~ assistance under Wisconsin Works may be considered assigned to
18 this state. Except as provided in s. 49.1455, 75 percent of all money received by the
19 department in a month under an assignment to the state under this paragraph for
20 an individual applying for or participating in Wisconsin Works shall be paid to the
21 individual applying for or participating in Wisconsin Works. The department shall
22 pay the federal share of support assigned under this paragraph as required under
23 federal law or waiver.

****NOTE: This is reconciled s. 49.145 (2) (s). This SECTION has been affected by
drafts with the following LRB numbers: LRB-0238/2 and LRB-1377/1.

1 **SECTION 4.** 49.775 (2) (bm) of the statutes, as affected by 2009 Wisconsin Act
2 (.... this act), is amended to read:

3 **49.775 (2) (bm)** The custodial parent assigns to the state any right of the
4 custodial parent or of the dependent child to support from any other person accruing
5 during the time that any payment under this subsection is made to the custodial
6 parent. No amount of support that begins to accrue after the individual ceases to
7 receive payments under this section may be considered assigned to the state.
8 Seventy-five percent of all money that is received by the department of children and
9 families under an assignment to the state under this paragraph shall be paid to the
10 custodial parent. The department of children and families shall pay the federal
11 share of support assigned under this paragraph as required under federal law or
12 waiver.

 ****NOTE: This is reconciled s. 49.775 (2) (bm). This SECTION has been affected by
 drafts with the following LRB numbers: LRB-0238/2 and LRB-1377/1.

13 **SECTION 9108. Nonstatutory provisions; Children and Families.**

14 (1) **RELEASE OF SUPPORT ASSIGNMENTS.** Any right to unpaid amounts of support
15 or maintenance accrued at the time of application for kinship care payments,
16 long-term kinship care payments, Wisconsin Works benefits, or caretaker
17 supplement payments that is assigned to the state under section 48.57 (3m) (b) 2.,
18 2007 stats., or (3n) (b) 2., 2007 stats., 49.145 (2) (s), 2007 stats., or 49.775 (2) (bm),
19 2007 stats., shall be released to the person who assigned that right to the state.

20 **SECTION 9408. Effective dates; Children and Families.**

21 (1) **ASSIGNMENT OF SUPPORT.** The treatment of sections 48.57 (3m) (b) 2. and (3n)
22 (b) 2., 49.145 (2) (s) (by SECTION 3), and 49.775 (2) (bm) (by SECTION 4) of the statutes

3 (END)